REMARKS

Claims 1 and 20 - 103 Rejection - Fleming '204 in view of Shear '598:

Unobvious Modification of Fleming

It would not be obvious to switch Fleming to use fees unrelated to usage, because that would alter Fleming's basic operating principles:

- Fleming's entire focus – its very reason for being - is to provide a way to measure usage of a particular computer file or program. See various passages in col. 1, lines 46-67 and col. 2, lines 1-16: "[T]he total usage of a computer system resource is important for a resource with an attribute or characteristic *related to usage*"; "[A] fee can be charged *based on the usage* of a computer system resource, such as a file or executable program that is leased on a *per-use basis*"; "Thus, if an advertisement were attached to or associated with a file being viewed by users, the time spent viewing the file would be an important attribute *related to usage*".

- Thus, it would not be obvious to modify Fleming to have fees that are unrelated to usage of a specific material. Such a modification would change Fleming's basic principles of operation. MPEP 2143.01 states: "If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious. In re Ratti, 270 F. 2d 810, 123 USPQ 349 (CCPA 1959)".

Unobvious Combination With Shear

It would not be obvious to apply to Fleming the flat-rate fees mentioned in Shear, because Shear teaches against using just a flat-rate fee:

- Shear provides no motivation for switching Fleming to flat-rate fees. Indeed, Shear *disparages* using just a flat-rate fee, points out the *disadvantages* of such an arrangement, and recommends a *different* arrangement. See Col. 3, lines 18-26: "One way ... is to charge a flat subscription or access fee to each user subscribing to use the database. If this is the only billing method used, however, infrequent users of the database may be discouraged from subscribing, because they would be asked to pay the same cost a frequent user pays."

- It is well accepted that in order for prior art references to be validly combined for use in a 35 U.S.C. 103 rejection, the references must suggest the *advantage* and *desirability* of the combination. As was stated in In re Sernaker, 217 U.S.P.Q. 1,6 (C.A.F.C 1983), "Prior art references in combination do not make an invention obvious unless something in the prior art

references would suggest the *advantage* to be derived from combining their teachings."

- This was further stated in Uniroyal, Inc. v. Rudkin-Wiley Corp., 5 U.S.P.Q. 2d 1434 (C.A.F.C. 1988): "Where prior-art references require selective combination by the court to render obvious a subsequent invention, there must be some reason for the combination other than the hindsight gleaned from the invention itself. ... Something in the prior art must suggest the *desirability* and thus the obviousness of making the combination."

- The following excerpts from the Manual of Patent Examining Procedure are also relevant: MPEP 2141 states that "The references must be considered as a whole and must suggest the *desirability* and thus the obviousness of making the combination ... Hodosh vs. Block Drug Co. Inc., 786 F. 2d 1136, 1143 n.5, 229 USPQ 182, 187n.5 (Fed. Cir. 1986)". MPEP 2143.01 states that "The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the *desirability* of making the combination. In re Mills, 916 F. 2d 680, 16 USPQ 2d 1430 (Fed. Cir. 1990)".

- In short, a prior art reference's brief mention of features it deems disadvantageous provides no motivation to put those features onto another reference.

Claimed Features Lacking

Even if it were appropriate to combine Fleming and Shear, such a combination would not meet all the claim elements:

- The claims distinctly define "*collective* subscription fee division" – that the collective fees paid by *all* the users are apportioned to the intellectual property owners based on the usage of a single user or selective group of users (i.e., a sample).

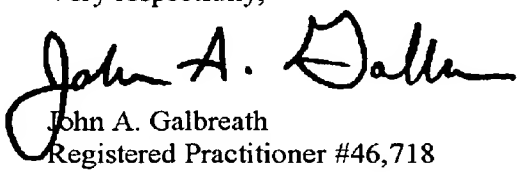
- Neither Fleming nor Shear disclose this key feature. As for Fleming, the 7/21/04 Office Action states that "Fleming further fails to disclose the collective subscription fees of the plurality of users. See page 4, line 23. In Shear, each user's payments are apportioned to the intellectual property owners based on the actual use of *that* user, not the use of others. See Col. 6, lines 51-60: "...use payments paid by the user may be apportioned to the property owners according to actual use of their respective properties. For example, if a user licenses a storage medium storing a library containing hundreds of different literary properties and then uses only two properties in the library, the owners of those two properties can be paid substantially all of the licensing fees charged to the user." This is the opposite of the collective fee division defined in the claims.

Finally, since independent claim 1 defines patentably over the prior art, its dependent claims 2-15 also define patentably for the same reasons.

CONCLUSION

For all of the above reasons, Applicant submits that the claims all define patentably over the prior art, and very respectfully requests that the Examiner withdraw the rejections in the Office Action. Applicant submits that this application is now in condition for allowance, which action they respectfully solicit.

Very respectfully,



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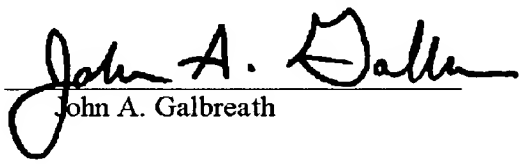

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